STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES Land Division Honolulu, Hawaii 96813

August 25, 2006

Board of Land and Natural Resources State of Hawaii Honolulu, Hawaii PSF No.:

Island of Hawaii

Set Aside to the County of Hawaii for Public Water Spigot Facility and Other Related Public Purposes, Nanawale and Kaniahiku Homesteads, Puna, Hawaii Tax Map Key: 3rd/1-5-04: 001

APPLICANT:

County of Hawaii, whose business and mailing address is 25 Aupuni Street, Hilo, Hawaii 96720

LEGAL REFERENCE:

Section 171-11, Hawaii Revised Statutes (HRS), as amended.

LOCATION:

Portion of Government lands situated at Nanawale and Kaniahiku Homesteads, Puna, Hawaii, identified by Tax Map Key: 3rd/1-5-04: 001, as shown on the attached map labeled Exhibit A.

AREA:

Approximately 2.378 acres, more or less.

ZONING:

State Land Use District:

Agricultural

County of Hawaii CZO:

Agricultural (AG-1)

County of Hawaii for Public Water Spigot Facility Nanawale, Puna, Hawaii

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: Yes

CURRENT USE STATUS:

Vacant and unencumbered.

PURPOSE:

Public water spigot facility and other related public purposes.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

The Final Environmental Assessment for the subject project was published in the OEQC's Environmental Notice on April 23, 2006 (Exhibit B) with a finding of no significant impact (FONSI).

APPLICANT REQUIREMENTS:

Applicant shall be required to:

1) Provide survey maps and descriptions according to State DAGS standards and at Applicant's own cost;

REMARKS:

Approximately 40,000 to 50,000 residents on the Island of Hawaii presently use water catchment systems for their household water supply, and must go outside of their homes to acquire potable water. Most obtain their drinking water from public water spigot utilities provided by the County of Hawaii, Department of Water Supply and the Civil Defense Agency.

Through partial funding from a grant from the federal Environmental Protection Agency called "Upgrade of Drinking Water System", the County is proposing to develop or upgrade 6 facilities around the Big Island. One of the sites selected is a 2.378 acre parcel in Puna as described above.

County of Hawaii for
Public Water Spigot Facility
Nanawale, Puna, Hawaii

Land Division previously cleared a major portion of this parcel in response to complaints from the surrounding community due to the threat of dangerous falling trees and branches. The parcel is located at the entry to the Nanawale Estates Subdivision and

adjacent to the Nanawale Forest Reserve and in the proximity of Lava Tree State Park. At the time that Land Division staff previously cleared this parcel, the Division of Forestry and Wildlife had no interest in adding the parcel to the forest reserve due to the lack of any resources on the property. DOFAW also had no comment in response to the EA prepared by the County of Hawaii.

Although the water spigot facility may not require the entire 2.378 acres, the zoning will probably not allow subdivision into a smaller lot and Land Division does not anticipate any other uses for the property. As such staff is recommending that the entire parcel be set aside to the County of Hawaii for the purposes of the water spigot project. Discussion in the Environmental Assessment indicate interest by the Nanawale Community Association in working with the County of Hawaii in keeping the area beautiful and clear of noxious Albezia Trees.

Staff did not circulate this request for any agency or community comments in that the subject site was included as an alternative in the Environmental Assessment that was published in the OEQC Environmental Notice dated April 23, 2006. This process provided for adequate agency and community comment.

RECOMMENDATION:

That the Board, subject to Applicant fulfilling the Applicant Requirements above, approve of and recommend to the Governor the issuance of an executive order setting aside the subject lands to the County of Hawaii under the terms and conditions cited above, which are by this reference incorporated herein and subject further to the following:

- 1. The standard terms and conditions of the most current executive order form, as may be amended from time to time;
- 2. Disapproval by the Legislature by two-thirds vote of either the House of Representatives or the Senate or by a majority vote by both in any regular or special session next following the date of the setting aside;
- 3. Review and approval by the Department of the Attorney General; and

County of Hawaii for Public Water Spigot Facility Nanawale, Puna, Hawaii

4. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,

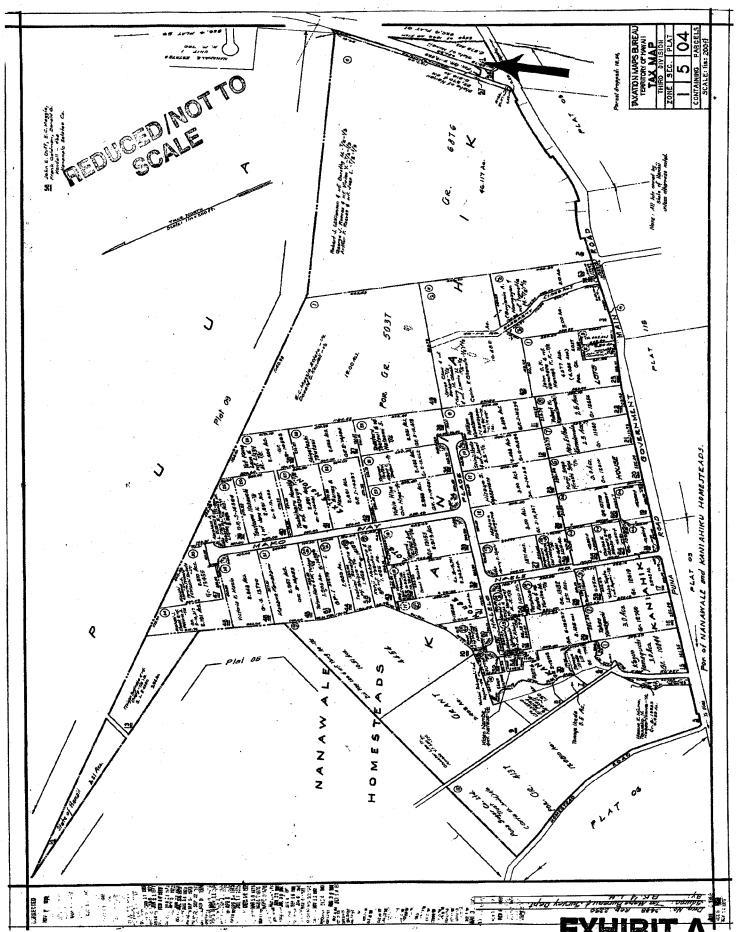
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Harry M. Ya

District Land Agent

APPROVED FOR SUBMITTAL:

Peter T. Young, Chair erson



APRIL 23, 2006

Construction of Islandwide Water Spigots Facilities (NEPA-FEA)

District: TMK:

Puna, North Hilo, South Kona, Ka'u

(3) 1-4-001:002, 1-5-004:001, 1-5-040:065, 1-6-003:065, 1-7-003:019, 1-8-002:049, 3-5-003:035,

8-3-013:021, 8-4-008:002, 9-5-005:001, 9-5-

006:002

Proposing

Agency:

County of Hawai'i, Dept of Water Supply 345 Kekuana'oa St., Hilo, HI 96720

Contact: Owen Nishioka (961-8070)

Approving

Agency:

U.S. Environmental Protection Agency, Region 9, Drinking Water Office, WTR-6, 75 Hawthorne St., San Francisco, CA 94105

Contact: Barry Pollock (415-972-3563)

Consultant:

M&E Pacific, Inc.

841 Bishop St., Ste. 1900, Honolulu, HI 96813

Contact: Martin Nakasone (521-3051)

the Federal draft EA and consultation with State, County, and Federal Agencies, EPA has determined the action will not have a significant impact on the quality of the human environment, and an environmental impact statement will not be required, and has proposed a Finding of No Significant Impact (FONSI).

The Final EA and the FONSI are available for review at the following locations: Holualoa Public Library: Kailua-Kona Public Library; Kea'au Public & School Library; Ke'alakekua Public Library; Laupahoehoe Public & School Library; Mountain View Public & School Library; Na alehu Public Library; Pahoa Public & School Library; Department of Water Supply (Hilo); Office of Environmental Quality Control (Honolulu); or, by contacting:

> **Barry Pollock USEPA Region 9** 75 Hawthorne St (WTR-6) San Francisco, CA 94105. ph. 415-972-3563

The Department of Water Supply, County of Hawai'i (COH DWS), proposes to construct new, or improve existing, drinking water spigots at 6 locations on the Island of Hawai'i. These installations will allow for safer conditions and improved access to potable water for persons living in communities which predominantly or exclusively use rainwater catchment systems. The County has identified the greatest need for improvements and/or additional spigot locations in the Puna, Ka'u and South Kona Districts. The project is anticipated to be completed in 2009.

The construction cost of the project is estimated at \$720,000. Funding will be provided by the COH DWS, and through a grant from the U.S. Environmental Protection Agency (EPA).

Pursuant to the National Environmental Policy Act (NEPA) and the Hawai'i Revised Statutes, the County has completed a final Environmental Assessment (EA), dated February 2006, to evaluate the environmental consequences of the proposed action and discuss the alternatives considered. EPA has accepted the County final EA as their Federal draft EA. Based on information from

KAU ISLAND OF HAWAI HOUSEHOLDS WITHOUT OPTIMED BEGOT LOCATION **MUNICIPAL WATER**

Page 12

EXHIBIT B